

# **Power Sector in Andhra Pradesh during April 2014**

## **POLICY**

### **APERC suggests amendments AP Reorganisation Act**

The Andhra Pradesh Electricity Regulatory Commission (APERC) wants the state government to see that some amendments are made to the AP Reorganisation Act-2014 for reorganising the power sector in the state. The ERC also found fault with the government for not consulting it when the Telangana bill was being drafted. In its 'advisory' to the government, it suggested six points to be taken into consideration by the government.

## **GENERATION**

### **First unit of AP Genco's Krishnapatnam plant goes on stream**

The first unit of 800 MW (2x800 MW) of Sri Damodaram Sanjeevaiah Thermal Power Station in Krishnapatnam has been synchronised with the Power Grid late on March 31. The power plant is located at Krishnapatnam, about 25 km Nellore on a 1,170 acre site. This is the first 800 MW supercritical unit in the State and also first amongst public sector utilities. While the first unit has now been synchronised, second unit is expected to be commissioned by July. The project has been developed by a special purpose vehicle formed by AP Genco, AP Discoms and Government of Andhra Pradesh. BHEL, L&T and TPL served as major contractors for AP Genco project and Navayuga Engineering Company executed the sea water related works. 5 million tonnes of coal per annum (about 71.4 per cent) will be supplied by Mahanadi Coalfields Ltd and 2 million tones of coal per annum (about 28.6 per cent) will be imported.

### **TRS promises 10 power plants**

The Telangana Rashtra Samithi (TRS) in its election manifesto promised to set up 10 thermal power stations to make the power-starved Telangana a power surplus State. In the short-term, it projects creation of capacity to produce 13,200 MW of power. The new State will have access to capacity of 2,280 MW of thermal and 2,541 MW of hydel power, TRS President, K

Chandrasekhara Rao (KCR), has said. Releasing the party's manifesto here on Friday, he said the new capacity addition would create one lakh jobs.

### **Photon Energy to set up another 3.5-MW solar farm**

Photon Energy Systems will execute a 3.5-MW solar photo-voltaic power plant for Ushodaya Enterprises, the publishers of leading Telugu daily *Eenadu*. The Rs. 25-crore project, which is expected to be ready within three-four months, will take the installed capacity of Ushodaya up from 6.5 MW to 10 MW. The company had earlier implemented a 6.5-MW Midgil Solar Power plant in Mahabubnagar investing about Rs. 50 crore. The entire project will come up on a 70-acre site.

### **AP to get more power from Aravali power plant**

The Union Power Ministry has decided to allocate an additional 276 MW of power to Andhra Pradesh to enable the State ease the tight power situation. In response to the request by the State, the Ministry decided to allocate the power from Aravali Power Company Pvt Ltd, Jhajjar in Haryana. The power utilities of the State will extend the power purchase agreement duly entering into commercial arrangements with Aravali. With this, the total allocation from APCPL, Jhajjar, to Andhra Pradesh will be 503 MW.

### **Karnataka cuts off power supply to Andhra Pradesh**

To address the growing power crisis in Karnataka, its government invoking special provisions under section 11 of the Electricity Act, 2003, to prohibit private producers from exporting power to other states. This has resulted in a shortage of 500 MW daily in AP. AP has entered into an agreement with two private power producers located in Karnataka to supply 500 MW power every day in 2013. As per the agreement, JSW and Salivahana, are supplying power to AP through the southern grid. While Kerala went to court and obtained a stay order Go AP said to be planning to move court if the Centre fails to take up the issue. AP has dashed letters to ministry of power and CERC to intervene as the agreements entered into with two private companies do not fall under section 11 of the Act.

DISTRIBUTION

### **APERC puts tariff hike on hold**

The Andhra Pradesh Electricity Regulatory Commission (APERC) has put on hold the proposed hike in power tariff till the election process is completed. The existing tariff for all the categories would continue from April 1 until further notice. With the existing tariff order coming to a close on March 31, the commission sought the permission of the State Election Commission (SEC) to exempt it from the model code of conduct on the ground that the functioning of the power utilities would go haywire if fresh tariff was not implemented. In response to this the SEC directed the APERC against passing any tariff order as long as the model code was in force. In the meantime the GoAP also informed the APERC claiming that it would not be in a position to communicate any specific view on the subsidy support because of the ongoing elections to the local bodies that would be followed by the general elections. The government said it would be in a position to communicate its considered view point on the issue to the APERC after the model code ceases.

### **CPDCL's drive to reduce commercial losses**

APCPDCL's Operations and Vigilance wing initiated drive against commercial losses in south circle of Hyderabad. In this circle losses range between 30 to 60 percent highest in the state. By middle of April 887 services were inspected and found 20 cases of direct theft from the conductors and in 350 cases meters were tampered. CPDCL also started installing meters at distribution transformers. 4,676 transformers were fixed such meters and 1,340 transformers need to be covered.